

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:172

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Performance of Air India

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Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether the aviation insights company FlightStats has ranked Air India as the third worst global performer in terms of on time operations in 2016;
- (b) if so, the details thereof and reaction of the Government thereto;
- (c) the details of parameters that have been taken into account while arriving at this rank;
- (d) the remedial measures taken by the Government to improve the quality of service and performance of Air India;
- (e) whether the number of passengers going abroad from the country is high in other airlines like Qatar Airways and not even half of them in Air India; and
- (f) if so, the details thereof and the comparative ratio of passengers travelling in Air India to abroad for the last five years and the steps taken by the Government to improve the quality of services and performance of Air India?

Answer

Minister of State in the Ministry of CIVIL AVIATION

(Shri Jayant Sinha)

(a) to (c): Yes, Madam. The matter was taken up with M/s FlightStats by Air India. M/s FlightStats has clarified that;

"We understand that a recent article by Bloomberg has portrayed Air India in a negative light and we want to assure you that FlightStats by no means endorsed their portrayal of your performance. While we do highlight exceptional performers, we do not, and have not, highlighted low performance or maintain a list of worst performing airlines".;

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(d): Air India constantly endeavors to improve/upgrade its services. The following are offered by Air India to meet the cut throat competition in the market:

- i. Prepaid Baggage Allowance
- ii. Introduction of B737 Dreamliners
- iii. Preferred seat-selection
- iv. Dynamic pricing & Introduction of Advance Purchase Schemes
- v. Flash sale of seats to increase revenues & PLF
- vi. Introduction of new routes
- vii. Various sales & Making Schemes
- viii. Free Baggage Allowance of 25 kg. on domestic sector of flights and 15 kgs.(ATR/CRJ Flights);

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(e) & (f) : As per data available with Air India from October, 2013, Air India has been carrying 11-12 % of passengers going abroad from India as compared to 4 % carried by Qatar Airways. The year wise details of carriage of international passengers from India in different Airlines from October, 2013 to November, 2016 are given at Annexure .

AI has progressively inducted the most technologically advanced B 787 aircraft on some of its services catering to London, Frankfurt, Paris, Hong Kong, Seoul, Osaka, Singapore, Shanghai, and Tokyo. With the replacement of B 777 services with B787 aircraft on these routes, Air India has been able to improve the profitability of the services operated to the above destinations. ;

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Government had approved a Turnaround Plan (TAP) / Financial Restructuring Plan (FRP) for operational and financial turnaround of Air India. The TAP/FRP provides equity infusion of Rs.30231 crores upto 2021 subject to achievement of certain milestones as laid down in the TAP/FRP. The Company has achieved the Targets set out in the TAP milestones, and has made substantial progress in both Operational as well as Financial Areas. As a part of the Turnaround Strategy for Air India Ltd., the company with the overall support of the Govt. has initiated a number of steps in order to cut costs and losses.

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Further, Air India continually monitors the market developments as well as carries out market studies with an objective to introduce new routes, increase number of services on existing routes, makes modifications to existing Schedules and adjusts seats offered on a route (equipment change) so as to match seats offered with the demand for seats etc. To meet the operational requirement of the company, Pilots and Cabin Crew are recruited from time to time;

